

Fruits and nuts, green .....	11,549
Hats, caps and bonnets.....	13,472
Iron and steel, and manufactures of....	223,123
Leather, manufactures of.....	11,683
Oils, coal, kerosene, and products of....	18,597
Oils, all other.....	14,377
Paints and colours.....	10,024
Provisions, viz., butter, cheese, lard and meats .....	17,059
Seeds and roots.....	14,608
Silk, manufactures of.....	97,527
Soap of all kinds.....	10,351
Spirits and wines.....	84,754
Sugar of all kinds.....	894,428
Wood, and manufactures of.....	21,033
Wool, and manufactures of.....	231,569

Of the comparatively few classes of goods on which the customs revenue declined, the following may be cited :

Arrowroot, biscuit, rice, macaroni, &c....	\$ 38,395
Fancy goods.....	14,131
Glass, and manufactures of.....	18,485
Gutta percha and india-rubber, manufactures of.....	20,265

The second principal source of taxation, excise, shows an advance in the receipts from this important branch of our service. Of the different items included under this heading, tobacco and snuff proved the only cases in which the revenue fell behind that of the previous year. The following statement will exhibit the quantities taken for consumption, and the duties accrued thereon, of the several excisable items :—

Article.	Quantity.	Quantity.	Duty.	Duty.	Increase.
	1895.	1896.	1895.	1896.	1896.
Spirits, galls.....	2,545,054	2,344,767	\$3,870,752	\$3,973,300	102,548
Malt, lbs.....	50,639,627	51,690,278	759,929	775,354	15,425
Cigars, No.....	106,131,294	108,290,260	635,028	648,462	13,434
Cigarettes, No.....	66,628,440	80,461,900	99,943	120,692	20,749
Tobacco and snuff, lbs.....	9,568,437	9,392,487	2,267,738	2,228,697	.....

Showing a decrease in tobacco and snuff of \$39,041.

It is worth noting at this point that according to the report of the hon. Controllor of Inland Revenue the per capita consumption of spirits and wines in 1896 reached the lowest point since confederation. The per capita consumption of spirits being '623 gallons; and of wines, '070 gallons against an average of 1'037 gallons of the former and '131 gallon of the latter. The following statement gives the average per capita consumption from 1867 to 1896, and

the per capita consumption for the years 1895 and 1896 :—

	Spirits.	Beer.	Wine.	To-
	Galls.	Galls.	Galls.	bacco.
Average from 1867...	1'037	2'900	'131	2'170
do 1894-95.	'666	3'471	'090	2'163
do 1895-96.	'623	3'523	'070	2'120

From the miscellaneous sources of revenue the most important increases occurred in post office, \$171,225.39; interest on investments, \$33,953.62; and casual, \$121,412.32.

On the whole, therefore, the revenue in 1895-96 showed a buoyancy and expansion in marked contrast to the year 1894-95

#### EXPENDITURE.

Having so far given our attention to what was received into the treasury, let us now turn to the other side of the account, the expenditure. My predecessor estimated that the outlay for 1895-96 would amount in round numbers to \$37,000,000, and that the receipts and expenditure would about balance. The actual expenditure was within \$50,000 of the estimate and amounted to \$36,949,142.03, but as the revenue fell short of expectations, instead of both sides of the account balancing there has again occurred a deficit amounting this time to \$330,551.31. Compared with the expenditure of 1894-95,

the year that elapsed on 30th June last, was remarkable for a distinct decrease in the public outlay, a decrease amounting to \$1,182,863.02. The decreases were pretty generally spread throughout the various services, but the following are the most important heads :—

Premium, Discount and Exchange.....	\$ 34,099
Civil Government.....	25,599
Legislation .....	36,882
Penitentiaries .....	64,372
Immigration .....	75,453
Militia .....	437,300
Mounted Police.....	113,111
Public Works, Consolidated Fund.....	442,548